

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
EL PASO DIVISION

In re	§	
	§	
SOUTHWEST CUTTERS, LLC,	§	Case No. 17-30238-HCM-11
	§	
Debtor.	§	

MOTION FOR INTERIM APPROVAL
OF USE OF CASH COLLATERAL

TO THE HONORABLE H. CHRISTOPHER MOTT, UNITED STATES BANKRUPTCY JUDGE:

Now comes the Debtor-in-Possession SOUTHWEST CUTTERS, LLC and through its counsel files this Motion for Interim Approval of Use of Cash Collateral, and would show:

1.

Petition date in these proceedings is February 13, 2017.

2.

SOUTHWEST CUTTERS, LLC is a Texas limited liability company that operates a cut-make-and trim business, manufacturing garments. It acquires an inventory of fabric, trim, and accessories in the course of its operations. It converts the inventory into work-in-process and finished goods, and finished goods once shipped become accounts receivable and proceeds of accounts receivable. All of these are "cash equivalents" within the meaning of 11 U.S.C. § 363(a).

3.

The Debtor presently has 155 employees. Payroll is about \$64K weekly. The next payroll is scheduled for Friday, February 17th. The Debtor uses large quantities of fabric, trim, and other materials to make garments, and the Debtor uses electricity, gas heat, and other fuels and liquids in normal operations. The Debtor chiefly needs to use cash collateral to pay its employees, to pay its share of health insurance for its employees, to replenish materials, and to pay for shipping.

4.

There are secured liens of record against the Debtor that affect the cash collateral. There is a "blanket" security agreement and financing statement in favor of its major contractual lender, TEAM GROWTH, LLC. A copy of the foregoing financing statement is hereto appended as Exhibit "A". TEAM GROWTH, LLC is owed approximately \$1.2 million. The cash collateral on-hand, in all its forms, is valued by the Debtor at \$338,000.00. TEAM GROWTH, LLC paid off all of the remaining earlier lenders on cash collateral, on April 4, 2016.

5.

In second lien position relative to the cash collateral is CHTD COMPANY of P.O. Box 2576, Springfield, IL, in a representation capacity for ASCENTIUM CAPITAL CORPORATION ("ASCENTIUM"). ASCENTIUM financed equipment purchases for the Debtor, and ASCENTIUM expanded its UCC-1 this past October to include cash equivalents mentioned in its security agreement. Their October 2016 financing statement is hereto attached as Exhibit "B." There is not enough cash collateral to service ASCENTIUM. ASCENTIUM has other collateral in the form of machinery and equipment.

6.

In third lien position relative to the cash collateral is another UCC filing made February 2, 2017 by CORPORATION SERVICE COMPANY in a representative capacity. The UCC-1 (hereto attached as Exhibit "C") does not identify the secured party except through a P.O. Box that matches ASCENTIUM's. There is not enough cash collateral to secure them.

7.

The Debtor also owes the INTERNAL REVENUE SERVICE ("IRS") several hundred thousand dollars in Form 941 taxes. IRS, however, has not yet filed a lien. If filed, a federal tax lien would prime TEAM GROWTH, LLC's lien after 45 days from its recording date. Under the Internal Revenue Code, a federal tax lien that has been on file for over 45 days primes a prior-recorded contractual lien. 11 U.S.C. § 6331. *See Texas Oil & Gas Corp. v. United States*, 340 F.Supp. 409

(W.D. Tex. 1971), *aff'd* 466 F.2d 1040, *cert. denied* 410 U.S. 929, 93 S.Ct. 1367, 35 L.Ed.2d 591. Since IRS has no liens, IRS is not being accorded any cash collateral treatment.

8.

As interim adequate protection for use of TEAM GROWTH, LLC's cash collateral, Debtor proposes all of the following:

- a) To make adequate protection payments of \$5,633.30 on the 1st of each month to TEAM GROWTH, LLC.
- b) To have the Court award a replacement lien to TEAM GROWTH, LLC in the amount of the cash collateral's petition-date value, estimated to be \$338,000;
- c) To maintain the cash collateral at a value no less than the cash collateral's petition-date value.
- d) To use the cash collateral only in the ordinary course of business and according to the proposed budget hereto attached as Exhibit "D";
- e) To make available to TEAM GROWTH, LLC on-line its Monthly Operating Reports, on their due dates in this case; and
- f) To maintain insurance against loss and damage of the inventory and work-in-process and finished goods, with the policy showing TEAM GROWTH, LLC as a loss co-payee.


9.

To make them aware of this Motion, the undersigned attorney has telephoned regular counsel for the major lender TEAM GROWTH, LLC, Mr. CLYDE PINE, about this Emergency Motion.

He has also contacted the second and third lienholders on the cash equivalents, about this Motion. All three of those creditors have been emailed this Motion. There do not appear to be any other lienholders of record.

WHEREFORE, PREMISES CONSIDERED, Debtor prays that interim authorization to use cash collateral be granted, upon the terms described above.

Respectfully submitted this 13th day of February, 2017.



E.P. BUD KIRK
Texas State Bar No. 11508650
600 Sunland Park Dr.
Building Four, Ste. 400
El Paso, TX 79912
(915) 584-3773
(915) 581-3452 facsimile
budkirk@aol.com

Attorney for Debtor

CERTIFICATE OF SERVICE

I do hereby certify that on the 13th day of February, 2017 did cause a copy of the foregoing Motion for Interim Approval of Use of Cash Collateral to be mailed and emailed to the U.S. Trustee, P.O. Box 1539, San Antonio, TX 78205-1539; to Southwest Cutters, LLC, 1430 Gail Borden Pl., Ste. 1-C, El Paso, TX 79935; to Team Growth Fund, LLC, c/o Clyde Pine, Jr., 100 N. Stanton, Ste. 1000, El Paso, TX 79901; and mailed to the parties in interest as shown on the attached list.



E.P. BUD KIRK

Ascentium Capital, LLC
P.O. Box 301593
Dallas, TX 75303-1593

Ascentium Capital Corp Service Co.
P.O. Box 979059
Miami, FL 33197-9059

CHTD Company
P.O. Box 2576
Springfield, IL 62708

Corporation Service Company
P.O. Box 2576
Springfield, IL 62708

Internal Revenue Service
Centralized Insolvency Office
P.O. Box 7346
Philadelphia PA 19101-7346

IRS Insolvency Office
300 E. 8th Street, Mail Stop 5026AUS
Austin TX 78701-0000

Team Growth Fund, LLC
13168 Saker Dr.
Horizon, TX 79928

EXHIBIT “A”

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address)
<div style="border: 1px solid black; padding: 5px;"> Team Growth Fund, LLC c/o Clyde A. Pine, Jr. 100 N. Stanton, Ste. 1000 El Paso, Texas 79901 </div>

RECEIVED
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04/04/2016 09:09 AM



FILED

TEXAS
SECRETARY OF STATE

SOS



664568660002

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THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); If any part of the Individual Debtor's name will not fit in line 1b, leave all of Item 1 blank, check here ☐ and provide the Individual Debtor information in Item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME Southwest Cutters				
OR				
1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
1c. MAILING ADDRESS				
1430 Gail Borden Place, Ste. 1-C	El Paso	TX	79935	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); If any part of the Individual Debtor's name will not fit in line 2b, leave all of Item 2 blank, check here ☐ and provide the Individual Debtor information in Item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
2c. MAILING ADDRESS				

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE or ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME Team Growth, LLC				
OR				
3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
3c. MAILING ADDRESS				
13168 Saker Dr.	Horizon	TX	79928-6211	USA

4. COLLATERAL: This financing statement covers the following collateral:

All goods, equipment, inventory, furniture, fixtures, motor vehicles, notes, receivables, accounts, contract rights, general intangibles, instruments, documents, consumer goods, chattel paper, and other tangible or intangible personal property of any kind of Debtor, including without limitation all such property arising under or relating to that certain Subcontract Agreement, #SPM1C1-13-D-1020 dated November 12, 2015 between Bluewater Defense, Inc. (the "Buyer") and Debtor and associated purchase orders thereunder (the "Supply Contract"), wherever located, now owned or hereafter acquired, along with all proceeds, products, accessions, and rents thereof or therefrom.

5. Check only if applicable and check only one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, Item 17 and Instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative					
6a. Check only if applicable and check only one box:					
<input type="checkbox"/> Public-Finance Transaction	<input type="checkbox"/> Manufactured-Home Transaction	<input type="checkbox"/> A Debtor is a Transmitting Utility	6b. Check only if applicable and check only one box:		
			<input type="checkbox"/> Agricultural Lien	<input type="checkbox"/> Non-UCC Filing	
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessor/Lessor <input type="checkbox"/> Consignor/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailor/Bailor <input type="checkbox"/> Licensee/Licensee					
8. OPTIONAL FILER REFERENCE DATA:					

**MOUNCE, GREEN, MYERS,
SAFI, PAXSON & GALATZAN**
A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS AT LAW

S. ANTHONY SAFI
II. KENTH MYERS
CARL M. GREEN
JOHN E. BRUKELBACH
KURT G. PAXSON
NORMAN J. GORDON
MARK D. DORE
CLYDE A. PINE, JR.*
BRUCE A. KOEHLER
DAVID L. VORSE
ANDRES E. ALMANZAN
LAURA ENRIQUETA
RAMON BENAVIDES III*
DAVID M. MIRAZO*
MURWAN H. BHATTI*

MONICA L. PEREZ*
SHANNON C. RIGGANS*
BRADLEY H. DARTLETT*

WILLIAM J. MOUNCE
ARTHUR R. PIACENTI
JOSH CARLO BENAVIDES
GARRETT J. VANDEY
OF COUNSEL

MORRIS A. GALATZAN
(1911-1999)
WILLIAM T. KIRK
(1940-2002)

*ALSO MEMBER OF NEW MEXICO BAR

TELEPHONE: (915) 532-2000

MAILING ADDRESS:
P.O. BOX 1977
EL PASO, TEXAS 79999-1977

STREET ADDRESS:
100 N. STANTON, SUITE 1000
EL PASO, TEXAS 79901-1463

FACSIMILE: (915) 541-1548

WEBSITE: WWW.MGMSO.COM

April 4, 2016

VIA FACSIMILE

Office of the Secretary of State
UCC Department
James Earl Rudder State Office Building
1019 Brazos
Austin, Texas 78701

RE: UCC-1 - Southwest Cutters, LLC

Dear Sir or Madam:

Enclosed please find a original and a copy of a UCC-1 Financing Statement. We are requesting these Statements to be expedited and to also receive an acknowledgement of same. I also enclose a credit card payment authorized for the filings.

Please call me if you have any questions or comments regarding the foregoing.

Very truly yours,

MOUNCE, GREEN, MYERS, SAFI, PAXSON
& GALATZAN
A Professional Corporation

By: 

Clyde A. Pine, Jr.

CAP/eh

15344.101/CPIN/1243647.1

ALFA_®
American
Law Firm
Association

MOUNCE, GREEN, MYERS,
SAFI, PAXSON & GALATZAN
A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS AT LAW
100 N. STANTON, STE. 1000
EL PASO, TEXAS 79901-1448
(915)532-2000
MAILING ADDRESS:
P.O. BOX 1977
EL PASO, TEXAS 79999-1977
FACSIMILE (915) 541-1597

FAX COVER SHEET

3 Pages Faxed (including this sheet)

FAX NO : (512) 463-1423

April 4
~~March 31~~, 2016

TO : Secretary of State UCC Corporations Section	FROM : Clyde A. Pine, Jr
---	--------------------------

RE : Filings of UCC-1 Financing Statement

MESSAGE : Enclosed please find a UCC-1 financing Statement and payment for expedited filing of same.
Thank you for your Cooperation.

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS ATTORNEY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. THANK YOU.

EXHIBIT “B”

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) CSC
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703 USA

FILING NUMBER: 16-0033728515

FILING DATE: 10/12/2016 01:52 PM

DOCUMENT NUMBER: 694048510001

FILED: Texas Secretary of State

IMAGE GENERATED ELECTRONICALLY FOR XML FILING

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1. DEBTOR'S NAME - Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	1a. ORGANIZATION'S NAME SOUTHWEST CUTTERS, LLC			
	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 1430 GAIL BORDEN PL STE 1C		CITY EL PASO	STATE TX	POSTAL CODE 79935
COUNTRY USA				

2. DEBTOR'S NAME - Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	2a. ORGANIZATION'S NAME			
	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
COUNTRY				

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY) - Provide only one Secured Party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME CHTD COMPANY			
	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS P.O. BOX 2576		CITY SPRINGFIELD	STATE IL	POSTAL CODE 62708
COUNTRY USA				

4. COLLATERAL: This financing statement covers the following collateral:
ALL ACCOUNTS, CHATTEL PAPER, DOCUMENTS, INSTRUMENTS, GENERAL INTANGIBLES, PAYMENT INTANGIBLES, GOODS, INVENTORY, INVESTMENT PROPERTY, RENTS, INCOME, SECURITIES, FIXTURES AND OTHER PROPERTY, NOW EXISTING OR HEREAFTER ARISING, AND ANY AND ALL PROCEEDS OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, INSURANCE PROCEEDS. ALL MACHINERY AND EQUIPMENT, WHETHER NOW OWNED OR HEREAFTER ACQUIRED, TOGETHER WITH ALL REPLACEMENTS, PARTS, REPAIRS, ADDITIONS, ACCESSIONS AND ACCESSORIES INCORPORATED THEREIN OR AFFIXED THERETO AND ANY AND ALL PROCEEDS OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, INSURANCE PROCEEDS. THE SECURED PARTY NAMED IN THIS RECORD IS ACTING IN A REPRESENTATIVE CAPACITY FOR PURPOSES OF FORWARDING NOTICES & INQUIRIES REGARDING THIS RECORD. FOR MORE INFORMATION, PLEASE CONTACT THE SECURED PARTY AT THE ADDRESS LISTED ABOVE OR AT UCCSPREP@CSCINFO.COM. See Below additional collateral description, if applicable: 1 NEW TYPICAL GC6710-MD3 DIRECT DRIVE SINGLE NEEDLE LOCKSTITCH WITH AUTO THREAD TRIMMER. AUTO BACKTACK AND AUTO FOOTLIFT COMPLETE WITH TABLE. STAND AND DIRECT DRIVE MOTOR *220 VOLT 1 NEW SIRUBA 757K-516M2-35 HIGH SPEED FIVE-THREAD SAFETY STITCH MACHINE WITH CHAIN CUTTER AND TEMPLEX WASTE REMOVAL COMPLETE WITH TABLE. STAND AND MINI SERVO MOTOR *220 VOLT

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box.

☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:

1281479 [122426913]

FILING OFFICE COPY

EXHIBIT “C”

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) CSC
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703 USA

FILING NUMBER: 17-0003740820
FILING DATE: 02/02/2017 11:14 AM
DOCUMENT NUMBER: 712516430001
FILED: Texas Secretary of State
IMAGE GENERATED ELECTRONICALLY FOR XML FILING
THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME - Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME Southwest Cutters, LLC				
OR				
1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
1c. MAILING ADDRESS 1430 Gail Borden Pl STE 1C		CITY El Paso	STATE TX	POSTAL CODE 79935
		COUNTRY USA		

2. DEBTOR'S NAME - Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME Southwest Cutters - Justice Apparel Group, LLC				
OR				
2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
2c. MAILING ADDRESS 1430 Gail Borden Pl STE 1C		CITY El Paso	STATE TX	POSTAL CODE 79935
		COUNTRY USA		

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY) - Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME CORPORATION SERVICE COMPANY, AS REPRESENTATIVE				
OR				
3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
3c. MAILING ADDRESS P.O. BOX 2576 UCCSPREP@CSCINFO.COM		CITY Springfield	STATE IL	POSTAL CODE 62708
		COUNTRY USA		

4. COLLATERAL: This financing statement covers the following collateral:
 All Assets now owned or hereafter acquired and wherever located, including but not limited to, the following subcategories of assets: a. Accounts, including but not limited to, credit card receivables; b. Chattel Paper; c. Inventory; d. Equipment; e. Instruments, including but not limited to, Promissory Notes; f. Investment Property; g. Documents; h. Deposit Accounts; i. Letter of Credits Rights; j. General Intangibles; k. Supporting Obligations; and l. Proceeds and Products of the foregoing. NOTICE PURSUANT TO AN AGREEMENT BETWEEN DEBTOR AND SECURED PARTY, DEBTOR HAS AGREED NOT TO FURTHER ENCUMBER THE COLLATERAL DESCRIBED HEREIN, THE FURTHER ENCUMBERING OF WHICH MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH THE SECURED PARTY'S RIGHT BY SUCH ENCUMBRANCER IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE, THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY.

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility ☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licenser

8. OPTIONAL FILER REFERENCE DATA:

[126983482]

UCC FINANCING STATEMENT ADDENDUM
FOLLOW INSTRUCTIONS

9: NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here ☐

OR	9a. ORGANIZATION'S NAME Southwest Cutters, LLC	
	9b. INDIVIDUAL'S SURNAME	
	FIRST PERSONAL NAME	
	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

OR	10a. ORGANIZATION'S NAME	
	Southwest Cutters	
	10b. INDIVIDUAL'S SURNAME	
	INDIVIDUAL'S FIRST PERSONAL NAME	
	INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)	
	SUFFIX	

10c. MAILING ADDRESS

1430 Gail Borden Pl STE 1C

CITY

El Paso

STATE

TX

POSTAL CODE

79935

[illegible]**USA**

11. ☐ ADDITIONAL SECURED PARTY'S NAME or ☐ ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

OR	11a. ORGANIZATION'S NAME			
	11b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

11c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral)

13. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):

14. This FINANCING STATEMENT

☐ covers timber to be cut ☐ covers as-extracted collateral ☐ is filed as a fixture filing

16. Description of real estate:

17. MISCELLANEOUS:

FILING OFFICE COPY

EXHIBIT “D”

GROSS PROFIT AND LOSS STATEMENT

GROSS PROFIT & LOSS MONTHLY	2017												DEC
	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV		
SALES													
RHINO	0	0	0	0	0	0	0	0	0	0	0	0	
GI SUPPLY	0	24,357	24,357	24,357	24,357	24,357	24,357	24,357	24,357	24,357	24,357	24,357	
MASSIF	0	33,010	42,823	42,823	42,823	42,823	42,823	42,823	42,823	42,823	42,823	42,823	
PTX	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
PTX RENT	0	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	
MILITARY / PTU JACKET	0	284,228	508,427	540,302	402,210	402,210	402,210	402,210	402,210	402,210	402,210	402,210	
BEYOND	0	6,167	8,455	18,620	52,022	24,500	0	0	0	0	0	0	
TOTAL SALES	0	315,162	1,380,164	1,226,959	1,029,909	873,387	873,387	873,387	873,387	873,387	873,387	873,387	
MATERIALS													
RHINO	0	0	0	0	0	0	0	0	0	0	0	0	
GI SUPPLY	0	0	0	0	0	0	0	0	0	0	0	0	
MASSIF	0	932	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	
PTX	0	0	0	0	0	0	0	0	0	0	0	0	
MILITARY / PTU JACKET	0	143,100	254,870	272,025	202,500	202,500	202,500	202,500	202,500	202,500	202,500	202,500	
BEYOND	0	167	305	648	1,318	1,089	0	0	0	0	0	0	
TOTAL MATERIALS	0	143,267	255,175	273,878	203,813	203,745	203,745	203,745	203,745	203,745	203,745	203,745	
FREIGHT													
RHINO	0	0	0	0	0	0	0	0	0	0	0	0	
GI SUPPLY	0	0	0	0	0	0	0	0	0	0	0	0	
MASSIF	0	0	0	0	0	0	0	0	0	0	0	0	
PTX	0	0	0	0	0	0	0	0	0	0	0	0	
MILITARY / PTU JACKET	0	12,084	21,531	22,871	17,100	17,100	17,100	17,100	17,100	17,100	17,100	17,100	
BEYOND	0	6	8	15	25	21	0	0	0	0	0	0	
TOTAL FREIGHT	0	12,090	21,539	22,886	17,125	17,121	17,100	17,100	17,100	17,100	17,100	17,100	
DIRECT LABOR OVER TIME COST	56,000	28,000	35,000	35,000	0	0	0	0	0	0	0	0	
DIRECT LABOR COST	0	110,666	180,669	184,641	168,639	168,651	0	0	0	0	0	0	
TOTAL DIRECT COST	56,000	110,666	180,669	184,641	168,639	168,651	0	0	0	0	0	0	
OVER HEAD COST													
OVER HEAD COST	0	32,855	32,855	32,855	32,855	32,855	0	0	0	0	0	0	
OVERHEAD LABOR	0	48,683	48,683	48,683	48,683	48,683	0	0	0	0	0	0	
TOTAL OVER HEAD COST	0	81,538	81,538	81,538	81,538	81,538	0	0	0	0	0	0	
LOAN INFO													
MONEY BORROWED	0	0	0	0	0	0	0	0	0	0	0	0	
INTEREST ON MONEY BORROWED	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL LOAN PAYMENTS	0	0	0	0	0	0	0	0	0	0	0	0	
DEBT SCHEDULE													
TEAM GROWTH	0	0	2,400	2,400	2,400	2,400	0	0	0	0	0	0	
LAWYERS	0	0	0	0	0	0	0	0	0	0	0	0	
LAWYERS	0	7,500	7,500	7,500	7,500	7,500	0	0	0	0	0	0	
TOTAL DEBT SCHEDULE	0	7,500	9,900	9,900	9,900	9,900	0	0	0	0	0	0	
TOTAL COST	56,000	192,204	272,107	276,779	258,177	256,089	9,900	9,900	9,900	9,900	9,900	9,900	
GROSS PROFIT OR LOSS	259,162	122,958	1,098,057	952,110	761,092	607,342	873,387	873,387	873,387	873,387	873,387	873,387	

121,783	204,302	7,500	6,328	2,135,378	103,783	2,585,074
5,912	1,075,035	3,445	1,084,453	90,788	74	90,860
811,968	929,985	104,275	243,417	407,692	0	0
0	0	0	0	0	0	0
9,600	0	0	0	0	0	0
37,500	0	0	0	0	0	0
0	0	0	0	0	0	0
47,100	2,559,092	25,982				

121,783
204,302
7,500
6,328
2,135,378
109,783
2,385,074

5,912
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